

July 14, 1976

Multinationals and Corporate Ethics: _____
(Third of Four-Part Series)

PAGES ONE AND TWO ARE MISSING

VOICE:

THE ISSUE OF DISCLOSURE OF INFORMATION BY MULTINATIONAL ENTERPRISES LOOMED LARGE DURING THE OECD DISCUSSIONS AND IS A CENTRAL THEME FOR CRITICS OF THE LARGE FIRMS. THE OECD GUIDELINES RECOGNIZE THERE ARE SOME BUSINESS SECRETS WHICH NO FIRM IS WILLING TO DISCLOSE FOR FEAR OF HELPING ITS COMPETITORS. BUT MISTER PAUL BOEKER, A SENIOR STATE DEPARTMENT OFFICIAL WHO HEADED THE US DELEGATION AT THE OECD DISCUSSIONS, FEELS THE AGREEMENT WILL HELP MAKE AVAILABLE MORE INFORMATION THAN PREVIOUSLY.

TAPE: CUT THREE -- BOEKER

"THERE'S A GREAT WEALTH OF DATA ON MULTINATIONAL ENTERPRISES. IN THE OECD, FOR EXAMPLE, THE EFFORT HAS NOT BEEN SO MUCH TO PRODUCE A WEALTH OF NEW DATA ON MULTINATIONALS BUT TO TRY TO STANDARDIZE IN SOME SENSE THE INFORMATION THAT SHOULD BE ROUTINELY DISCLOSED BY MULTINATIONAL ENTERPRISES OPERATING THROUGHOUT THE REGION, SO THAT THERE'S A SORT OF STANDARD BASIS ON WHICH INFORMATION WOULD BE AVAILABLE ON ALL COMPANIES IN A FORM THAT IS MORE READILY UNDERSTANDABLE, USABLE BY THE PUBLIC, BY ACADEMIC AND TRADE UNION AND OTHER PARTIES."

VOICE:

MISTER BOEKER MADE THE POINT THAT ANY COUNTRY CAN IMPOSE WHATEVER DISCLOSURE AND OTHER LAWS IT WISHES. SOME COUNTRIES, WELL-INFORMED SOURCES POINT OUT, ARE EAGER TO ATTRACT MULTINATIONAL INVESTMENT AND TEND TO OFFER PREFERENTIAL TREATMENT. OTHERS, POLITICALLY OPPOSED TO MULTINATIONALS, WANT GOOD STANDARDS OBSERVED BUT HESITATE TO INTRODUCE RESTRICTIVE MEASURES LIKELY TO SCARE THEM (THE CORPORATIONS) AWAY ALONG WITH THE EMPLOYMENT, INVESTMENT, AND TECHNOLOGY TRANSFERS THEY BRING.

THESE SOURCES ATTRIBUTE TO THIS KIND OF CONSIDERATION THE INSISTENCE OF EVEN THE MORE RADICAL DEVELOPING NATIONS UPON THE NEED FOR INTERNATIONAL STANDARDS RATHER THAN SELF-DAMAGING

NATIONAL INITIATIVES. MISTER BOEKER OUTLINED THE SCHEDULE THE UNITED NATIONS SPECIAL COMMISSION HAS SET ITSELF FOR MEETING THE PROBLEM:

TAPE: CUT FOUR -- BOEKER

"A WORKING GROUP HAS BEEN SET UP TO DEVELOP AN OUTLINE FOR A CODE IN NINETEEN SEVENTY-SEVEN AND, IT IS HOPED, A DRAFT CODE IN THE FOLLOWING YEAR, NINETEEN SEVENTY-EIGHT."

VOICE:

PARLIMENTARIANS FROM THE EIGHTEEN-NATION COUNCIL OF EUROPE HAD THEIR FIRST TRY AT THE PROBLEM EARLIER THIS YEAR BY STAGING A DEBATE WHICH INCLUDED EUROPEAN MULTINATIONAL ENTERPRISE AND LABOR UNION REPRESENTATIVES. BUT THEY FAILED TO COME UP WITH ANY PRECISE RECOMMENDATION FOR TRANSMISSION TO THE MINISTERS. WITHIN THE INTERNATIONAL FRAMEWORK, THEREFORE, THE OECD GUIDELINES HAVE THE VIRTUE OF EXISTENCE. THEY HAVE BEEN ADOPTED FORMALLY BY TWENTY-THREE GOVERNMENTS, APPROVED BY MULTINATIONAL REPRESENTATIVES AND ACCEPTED AS A FIRST STEP BY LABOR UNION DELEGATES. OECD NATIONS SAY THEY WILL CONTINUE TO CONSULT ON THE MATTER AND REVIEW THE SITUATION THREE YEARS FROM NOW.

THE ISSUE IS ALSO ON THE LIST OF ITEMS THE DEVELOPING NATIONS HAVE RAISED WITHIN THE PARIS NORTH-SOUTH DIALOGUE. THEY WANT A DISCUSSION OF WHAT THEY CALL "INTERNATIONAL MEASURES FOR THE REGULATION AND SUPERVISION OF MULTINATIONAL CORPORATION ACTIVITIES." THE OECD HAS BROKEN NEW GROUND AND IF, AS MISTER BOEKER HOPES, THEIR ACTIVITIES DO BECOME MORE VISIBLE, THEIR IMAGE MAY GAIN BY SHEDDING SOME OF ITS MYSTERY AND BECOMING LESS PRONE TO EXTREME INTERPRETATIONS.

ANNCR:

WE'VE EXAMINED SOME OF THE INTERNATIONAL EFFORTS BEING MADE TO ESTABLISH OPERATIONAL GUIDELINES FOR THE GIANT MULTI-

NATIONAL CORPORATIONS. (OPT) OUR NEXT REPORT LOOKS AT SOME OF
THE CHANGES TAKING PLACE IN THE RELATIONSHIP BETWEEN MULTINATIONAL
CORPORATIONS AND NATIONAL GOVERNMENTS. (END OPT)

JS/RCS